

## **CELEBRATION STUDIOS UPDATE**

In late January 2008, the State brought suit against Celebration Studios, Inc. and its principal, Marc S. Schwartz, arising from the wedding photography/videography business' abrupt closure earlier that month. This situation left hundreds of couples without their contracted for wedding photographs and/or videos. In order to make certain that this merchandise was secure, the State sought and obtained an order to impound the merchandise within the Celebration Studios warehouse in Clifton, New Jersey.

Over the past months, the State has been engaged in the process of identifying the thousands of affected consumers (whether they submitted a complaint to the Division of Consumer Affairs ("Division") or otherwise) as well as conducting an inventory and organization of the impounded merchandise. Without doubt, this has been a significant undertaking.

During this process, the State became aware that certain photographers and videographers who performed work for Celebration Studios were still in possession of merchandise. The State sought a Court order directing that the photographers/videographers turn over the merchandise. Certain photographers/videographers opposed the State's motion on the basis that they had not received payment from Celebration Studios for certain work. At the Court's direction, the State is attempting to identify those photographers/videographers who had not been paid by Celebration Studios, the particular weddings for which they were not paid, the outstanding payment, as well as whether the merchandise related to the wedding is still in their possession.

After the filing, the State also became aware that certain Celebration Studios customers had been provided with charge backs to their credit cards. Thus, the State needs to confirm: (1) which couples paid for their merchandise; and (2) which couples paid, but later received a charge back and/or other refund.

To assist in these efforts, the State has forwarded questionnaires to consumers as well as to photographers/videographers who worked for Celebration Studios. The State has requested responses by August 14, 2008. A copy of the questionnaires is attached.

Given the current Court order, the State is prohibited from distributing merchandise to any couple, even those who have paid for merchandise and whose photographer/videographer had been paid by Celebration Studios. The Court has adjourned the July 18<sup>th</sup> hearing date to August 22, 2008.